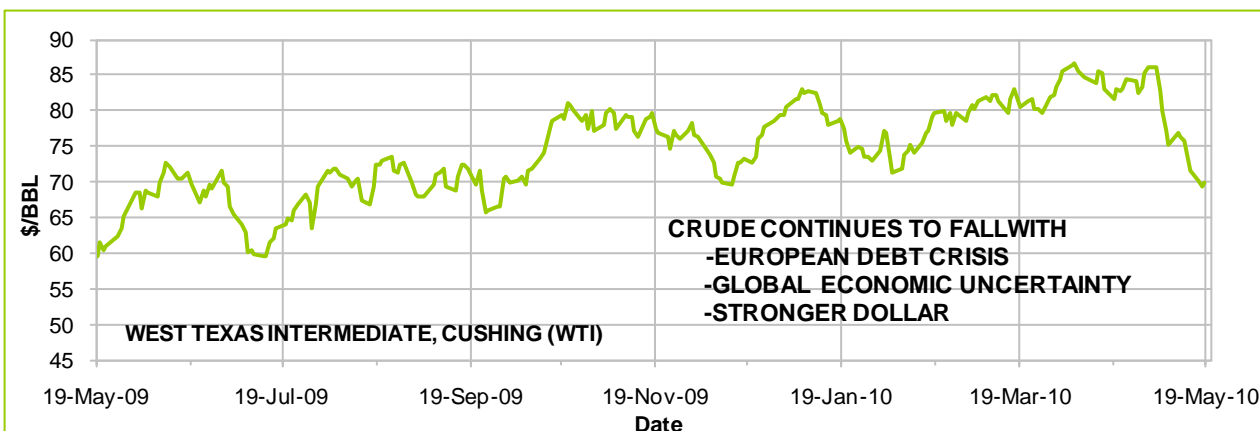


Crude Oil



Crude inventories grew by only 0.2 million barrels this past week. This was only 30% of the expected gain of 0.7 million but was in sharp contrast to the average 0.4 million decline for this time period. A 0.3% decline in production and 1.0% increase in crude flowing to refineries offset the 1.5% gain in imports. Crude stocks have improved to only 1.7% below last year and to 5.8% above the 5-year average. For this time period inventory levels are now at their second highest level in the past 20 years.

The European debts crisis, a stronger dollar, soaring inventories, and doubts about the global economic recovery continue to impact crude prices. Spot and futures prices are down over \$16 since the beginning of May. Spot prices are at \$69.89, \$10.40 (17.5%) higher than a year ago but 51.9% lower than 2008's peak price. Futures prices are at \$75.51. They are \$12.41 (19.7%) higher than last year but 48.4% below 2008's peak price.

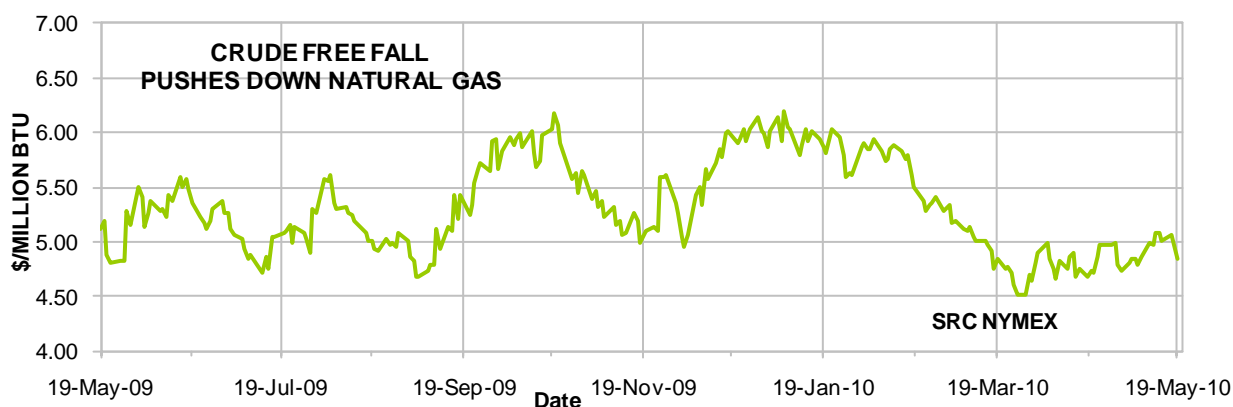


Natural Gas



Inventories rose by 76 BCF this past week. This was 18% below the 5-year average gain of 93 BCF and 6% below the expected gain of 81 BCF. Over the past 9 weeks inventories are up by 550 BCF compared to a normal gain of only 315 BCF for the time period. At 2,165 BCF, this week's inventory level is 16.6% above the 5-year average and 3.5% higher than a year ago. It is also the highest ever for this date.

Despite some weather demand and signs of U.S. economic recovery, the impact on crude of the European debt crisis and doubts of global economic recovery pushed natural gas futures prices lower this past week. Futures prices settled at \$4.837 per million BTU, down 24.7 cents for the week and 5.6% lower than a year ago. They are 63.7% below their 2008 peak. Spot prices rose by 12 cents this past week from increased weather demand, settling yesterday at \$4.290 per million BTU. They are 7.8% higher than a year ago but 67.8% below their 2008 peak price.



Heating oil



Distillate stocks fell by 1.0 million barrels this past week. This compares to the expected gain of 0.9 million and the 5-year average gain of 0.6 million. Inventory levels are 3.2% above last year and 28.4% above the five-year average

Spot and futures prices continue to follow crude prices. They fell by 21 cents this past week and by 40 cents since the beginning of May. The 12 month strip is now at \$2.062/gal, 40.9 cents (24.8%) higher than a year ago. The spot price is at \$1.941 /gal, 47.7 cents (32.6%) above last year. They are more than 50% below their 2008 peak prices. Retail prices fell another 1.9 cents this past week and have fallen by 7 cents over the past 4 weeks as heating oil follows crude downward. At \$2.879/gal, retail prices are 68.0 cents (30.9%) above a year ago but are \$1.888 (39.6%) below their 2008 peak price. The highest price in this week's survey was \$3.599 and the lowest was \$2.499. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
18-May-09	2.460	2.759	2.149	2.153	2.490	1.749	2.177	2.360	1.899
3-May-10	3.128	3.749	2.640	2.904	3.199	2.549	3.121	3.749	2.799
10-May-10	3.051	3.599	2.500	2.842	3.199	2.499	2.986	3.599	2.600
17-May-10	3.025	3.599	2.500	2.827	3.199	2.499	2.969	3.599	2.699
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
18-May-09	2.163	2.299	1.999	2.219	2.399	2.099	2.079	2.299	1.929
3-May-10	2.929	3.079	2.799	2.998	3.099	2.890	2.846	2.949	2.669
10-May-10	2.835	2.999	2.699	2.985	3.099	2.850	2.819	2.959	2.669
17-May-10	2.817	2.899	2.699	2.934	3.099	2.790	2.799	2.929	2.669
	NEW HAVEN								
	AVG	HIGH	LOW						
18-May-09	2.124	2.359	1.870						
3-May-10	2.861	3.169	2.639						
10-May-10	2.812	2.999	2.499						
17-May-10	2.805	2.999	2.590						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning May 17, 2010. Figures reflect per gallon prices without discount.

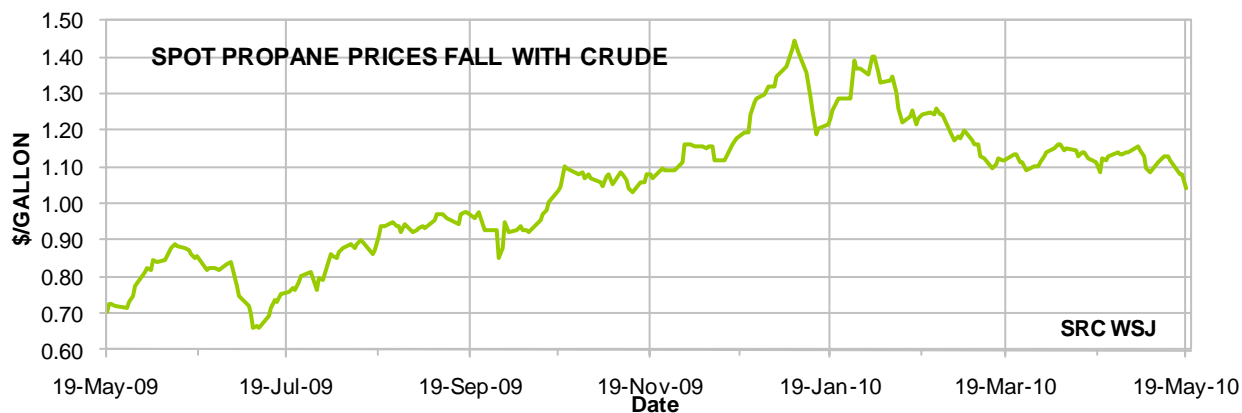
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventories increased this past week by only 0.6 million barrels. This is only 30% of the 5 year average gain of 2.1 million. Over the past 9 weeks inventories have grown by 14.4 million barrels, twice the 5-year average change for this time period of only 7.2 million. Current storage levels now trail last year's levels by 17.2% but are 4.7% above the five-year average. Ten weeks ago they were 21.6% below the 5-year average.

With weak demand and falling crude prices, spot propane prices fell another 8.6 cents per gallon this past week. Since January 7th propane spot prices have fallen by 40.5 cents (28%). At \$1.041 per gallon yesterday, they are 33.6 cents (47.7%) higher than a year ago but 47.4% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



Gasoline



Gasoline inventories fell by 0.3 million barrels this past week. This was slightly less than the expected decline of 0.4 million and slightly above the 5-year average decline of 0.2 million. Inventories levels are a healthy 8.4% above last year and 7.5% above the 5-year average. Stocks are only 0.1% below the record high level for this date.

Spot and futures prices fell 20 cents/gal this past week and are down by 40 cents since the beginning of May. Wednesday's spot price was \$1.937/gal, \$0.167 (9.4%) higher than last year. The 12-month strip, at \$1.980/gal, was \$0.283 (16.7%) higher than a year ago. Both are more than 40% below 2008 peaks. Retail prices fell by 3 cents this past week and by 4.4 cents over the past 2 weeks. They had gone up in 10 of the previous 11 weeks for a total gain of 29.5 cents. At \$3.054/gal, retail prices are 60.9 cents (24.9%) higher than a year ago but 30.4% (\$1.336) below 2008's peak.

